



Indigo Minerals LLC Announces Acquisition of 300,000 Net Acre Mineral, Royalty and Non-Operated Working Interest Position from Callon Petroleum

HOUSTON, December 13, 2007 -- Indigo Minerals, LLC announced today that it has entered into a definitive Purchase and Sale Agreement with Callon Petroleum to acquire various producing assets along with a large fee mineral and royalty position in the onshore United States for \$61.5 million in cash. The transaction has an effective date of December 1, 2007, and is scheduled to close by year-end 2007.

The fee mineral and royalty assets are located in 17 states and involve approximately 630 producing wells and 300,000 net acres. Daily production volumes are estimated at 420 Boe/d. The acreage positions are largely concentrated in Alabama, Mississippi, Louisiana and Oklahoma and are experiencing significant leasing and drilling activity targeting multiple oil and gas plays.

The producing royalty and non-operated working interest assets provide a predictable production profile from several large oil and gas fields, typically have a long reserve life, include several CO₂ tertiary projects, contain an abundant drilling inventory and fit well with Indigo's existing fee mineral and working interest position in North Louisiana and East Texas.

Indigo Minerals LLC is one of the largest private fee mineral owners in Louisiana with over 425,000 net mineral acres and more than 200 producing royalty wells. A previous working interest acquisition announced by Indigo in August 2007 involved producing assets located in seven fields in North Louisiana and East Texas. The interests were acquired from an undisclosed private seller for \$27.9 million in cash. Those assets include 60 producing wells, a large HBP acreage position and a significant number of identified drilling locations. Six wells have been drilled to date in the acquisition with a 100% success rate.

Indigo Minerals LLC pro forma for the Callon Petroleum acquisition will have approximately 725,000 net mineral and/or royalty acres in 17 producing states, 17,800 leasehold acres and over 900 producing wells. Through its minerals and royalties, the company has exposure to over 150 different operators within the United States; along with access to a substantial technical database including several recent 3D seismic surveys obtained over portions of its North Louisiana fee mineral position.

Indigo was formed in late 2006 as a venture between Yorktown Partners, the Martin Companies and Indigo Management. Further information regarding Indigo Minerals LLC can be obtained by visiting their website at www.indigominerals.com.

Callon Minerals

Indigo's and Callon's acreage are an excellent fit in the onshore Gulf Coast Region

